Platform work: Opportunities and challenges

ETUI Monthly Forum
‘What do we know about platform work?’
Irene Mandl
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Eurofound’s research on platform work: Focus on employment and working conditions


http://eurofound.link/ef18001

http://eurofound.link/ef19045
Eurofound’s theoretical typology of platform work

Platforms’ structural characteristics
- Relationship between platform, client and worker
- Geographic scope of the platform
- Size of platform
- Market position of platform
- Sector, occupation
- Dynamism of platform

Platforms’ business model
- Transparency of client and worker
- Fees to platform
- Realisation of payments
- Conduct of platform
- Autonomy
- Additional services offered
- Type of contract between platform and worker
- Access to social protection
- Access to representation

Tasks
- Scale
- Complexity
- Type of activities
- Required skills
- Format of service provision

Matching process
- Form of matching
- Initiator
- Selector
- Number of paid workers per assignment

Accessibility
- Clients
- Technical
- Social
Types of platform work in Europe

- Scale of tasks
- Skills level required
- Format of service provision
- Form of matching
- Selector

Eurofound identified 10 common types of platform work
Focus on selected types of platform work

- On-location platform-determined routine work
- On-location worker-initiated moderately skilled work
- Online contestant specialist work
- On-location client-determined moderately skilled work
- Online moderately skilled click work
**Overview: selected types of platform work**

<table>
<thead>
<tr>
<th></th>
<th>On-location platform-determined</th>
<th>Online click-work</th>
<th>On-location worker-initiated</th>
<th>On-location client-determined</th>
<th>Online contestants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tasks</strong></td>
<td>Transport</td>
<td>Data, info</td>
<td>Household</td>
<td></td>
<td>Creative tasks</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td>Male</td>
<td>Balanced</td>
<td>Male</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Age, family</strong></td>
<td>Young</td>
<td>Slightly older, children</td>
<td>Young</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
<td>Highly educated</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Labour market status</strong></td>
<td>Student</td>
<td>Precarious</td>
<td>Employee or self-employed</td>
<td>Self-employed or freelancer</td>
<td></td>
</tr>
<tr>
<td><strong>Motivation</strong></td>
<td>Low entry barriers</td>
<td>Lack of employment alternatives</td>
<td>Build or extend client base</td>
<td>Earn additional income</td>
<td>Fun, use creativity and ideas</td>
</tr>
</tbody>
</table>
Impact: Labour market

Opportunities
- Easy labour market access
- Source of extra income
- Stimulant to self-employment
- Legalisation of undeclared work

Risks
- Labour market segmentation
- Ambiguous employment status
- Deskilling
- Issue of social protection

- On-location platform-determined routine work
- On-location client-determined moderately skilled work
- On-location worker-initiated moderately skilled work
- Online moderately skilled click-work
- Online contestant specialist work
Impact: Working conditions

Opportunities
- Objective work assignment
- Working time flexibility
- Decent pay rates
- Predictability of earnings

Risks
- Lack of autonomy
- Limitations of client rating
- Short notice
- High work intensity
- Poor career prospects in the platform economy
- Below-market pay rates
- Unpaid working time
- Unpredictability of earnings
- Unclear health & safety responsibility

- On-location platform-determined routine work
- On-location client-determined moderately skilled work
- On-location worker-initiated moderately skilled work
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Policy pointers - General

• Explore the opportunities of platform work and use it strategically
  – Labour market integration
  – Extending working life
  – Legalise undeclared work
  – Promote self-employment
  – Raise household incomes

• But: Consider potential unintended side effects, e.g.
  – Labour market segmentation
  – Crowding out

• Differentiated discussion and solutions instead of ‘one-size-fits-all’
Policy pointers – Specific aspects (1)

- Employment status, rights and entitlements

- Algorithms, ratings
  - Transparency
  - Fairness and access to redress
  - Portability
Policy pointers – Specific aspects (2)

• Pay
  – Ensuring decent pay rates, notably for online and low-qualified tasks
  – Ensuring predictability of income, notably for online tasks
  – Tackling unpaid working time

• Health and safety
  – Clarifying responsibilities
  – Addressing business models and mechanisms
  – Awareness raising and information provision

• Private individuals or households as clients

• Representation

• Aspects beyond work and employment
Other Eurofound activities on platform work – Web repository

http://eurofound.link/platformeconomy
Other Eurofound activities on platform work – Mapping measurements

How is the platform economy measured?

- Mostly online
- General population vs. platform workers
- Mostly one-offs with relatively small samples, not always probability sampling
- Potential response errors

- Big data
- Web scraping and web crawling

- Administrative/registry data
- Platform data
Main identified challenges

• Lack of an agreed international term and definition/demarcation

• Applicability of established concepts (e.g. sector, employment status)

• Potential international and fragmented nature of platform work

• Dynamics within platform work (e.g. business models, ‘fluidity’ of work)

• Heterogeneity within platform work limits extrapolation options

• Ethical concerns
Platform work in Eurofound’s surveys (1)

- Survey of (HR) managers (about 21,000) and employee representatives (about 3,000) in EU establishments
- Coverage of e.g. work organisation, HR policies, employee participation, social dialogue, skills strategies and utilisation, digitalisation, outcomes
- ECS 2019 jointly conducted by Cedefop and Eurofound
- Push-to-web approach

- Attempt to cover the ‘client’s perspective’ (work organisation/externalisation)

‘Does your establishment use online platforms (such as [country specific examples]) to commission work or tasks to external staff?’

- Result of the cognitive testing: ‘Very problematic’
  - Examples were unfamiliar
  - ‘Online platform’, ‘commissioning work/tasks’, ‘external staff’ was not well understood and interpreted in a variety of ways

- Decision to drop the question
Platform work in Eurofound’s surveys (2)

• Survey of more than 40,000 workers in about 35 European countries
• Coverage of e.g. employment status, working time duration and organisation, work organisation, learning and training, physical and psychosocial risk factors, H&S, work-life balance, worker participation, earnings and financial security
• Face-to-face interviews
• EWCS 2020 fieldwork started in January

➢ Some background considerations
  • General context of increasing multi-activity and fragmentation of jobs
  • General context of increasingly blurring boundaries between employee and self-employed
  • Indications for a ‘platformisation of standard work’
  • Understanding of ‘work’

➢ Attempt to – indirectly – cover the ‘worker’s perspective’ (employment form, work organisation), e.g.
  • Clarification that involvement in the platform economy qualifies as ‘job’ (question on ‘more than one job’)
  • Question on task allocation in an automated way
  • Question on formal assessment of work by customers or suppliers and impact (e.g. further work allocation, level of pay)
Thank you for your attention!

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